



INSIGHTS

108th Congress

February 9, 2004

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Weekly Summary

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INSIGHTS is prepared expressly for the Department of Energy's Office of Federal Energy Management Programs (FEMP). The purpose of ***INSIGHTS*** is to provide FEMP management staff with timely information on legislative activities relevant to the program. ***INSIGHTS*** is prepared for FEMP by Energetics, Incorporated, (202) 479-2748.

I. WEEKLY SUMMARY

CONGRESSIONAL SCHEDULE

Congressional activities of interest this week include the following:

HOUSE

- Subcommittee on Military Construction (Committee on Appropriations) hearing on Base Realignment and Closure
- Committee on Appropriations hearings on FY 2005 Budget Requests for the Departments of Interior and Energy
- Subcommittee on Energy and Mineral Resources (Committee on Resources) hearing on Energy Supply and the American Consumer
- Committee on Armed Services hearing on the *FY 2005 Defense Authorization* bill
- House consideration of *H.R. ____* - Department of Transportation reauthorization bill, including energy amendments

SENATE

- Subcommittee on Homeland Security (Committee on Appropriations) hearing on the FY 2005 Budget Request for the Department of Homeland Security
- Committee on Governmental Affairs hearing on the FY 2005 Budget Request for the Department of Homeland Security
- Committee on Armed Services hearing on the *FY 2005 Defense Authorization* bill
- Committee on Energy and Natural Resources hearings on the FY 2005 Budget Request for the Departments of Energy and Interior and the National Park Service Recreation Fee Demonstration Program
- Committee on Veterans' Affairs hearing on the FY 2005 Budget Request for the Department of Veterans' Affairs
- Committee on the Budget hearing on the FY 2005 Budget Request
- Senate debate on *S. 1072* – Department of Transportation reauthorization bill including energy amendments

II. COMMITTEE ACTIVITY

HOUSE

Change in Leadership Last week, Billy Tauzin (R/LA), Chairman of the Committee on Energy and Commerce announced his decision to retire from Congress, effective February 16. Joe Barton (R/TX), Chairman of the committee's Subcommittee on Energy and Indoor Air Quality received a boost from Republican committee members to assume the chairmanship of the full committee. On Representative Barton's behalf, most Republican members signed a letter to the Speaker of the House, Dennis Hastert (R/IL), endorsing his selection as chair. The final decision on committee and subcommittee leadership positions is made by the Republican Conference Committee.

Legislation

No new bills of interest were introduced last week.

Summary of Hearings

President's FY 2005 Budget On February 3, Joshua Bolten, Director of the Office of Management and Budget, presented testimony on the President's FY 2005 Budget Request to the Committee on the Budget. Mr. Bolten testified that the budget outlines three administration priorities: winning the war on terror, protecting the homeland, and strengthening the economy. He told members, "With Congress' help in enacting the budget we transmit today, we will be well on the path to cutting the deficit in half within five years." He also stated that recent tax cuts passed by Congress have been instrumental in strengthening the economy and creating jobs. The budget includes a scorecard to measure each agency's success in achieving results specified in the President's budget request.

FY 2005 Budget for the Department of Veterans' Affairs On February 4, members of the Committee on Veterans' Affairs received testimony on the FY 2005 Budget Request, which was prepared and delivered by senior officials from the Department of Veterans' Affairs (VA), including Secretary Anthony Principi, Under Secretary for Health Robert Roswell, and Assistant Secretary for Management William Campbell, among others from the Department. The budget includes \$524 million for the Capital Asset Realignment for Enhanced Services (CARES) program to update VA's infrastructure – this amount is more than twice the amount requested for FY 2004. CARES funding will be used to advance planning, design development, and construction costs for capital initiatives. The budget also includes \$1.5 million for the co-location and relocation of several regional offices. **VA administrators are considering the use of enhanced-use authority, wherein a private developer constructs a facility on VA grounds and then leases part or all of the facility back to VA.** The land and subsequent improvements revert to VA ownership when the lease ends. Testimony was also received from the Disabled American Veterans, AMVETS, and the American Legion, among others.

SENATE

Legislation

Comprehensive Energy Legislation This week, Pete Domenici (R/NM), Chair of the Committee on Energy and Natural Resources and the Conference Committee on Energy will attempt to attach, as an amendment to *S. 1072* (Highway Reauthorization bill), comprehensive energy legislation. The process, which remained fluid throughout last week, involved attaching all or part of the Senate version of *H.R. 6*

– *Energy Policy Act of 2003* to the transportation bill. Various reports have emerged indicating that Chairman Domenici will change the timeframe for tax credits and incentives to reduce the overall cost of the \$31 billion bill as well as deleting an MTBE provision. Minority Leader Tom Daschle (D/SD) is reportedly planning to introduce a Democratic amendment to *S. 1072* to eliminate the MTBE provision, which protects manufacturers of the ground water contaminating fuel additive from liability. Democrats are also reported to be considering attaching an amendment which would include the ethanol tax incentive and the electric reliability provision included in *H.R. 6*. The popular jobs creation transportation bill is controversial on its own due to the high cost of the six-year reauthorization bill. The House Republican Leadership remains strongly opposed to deleting the MTBE liability from a final bill and is expected to amend its transportation reauthorization bill to include the House version of comprehensive energy legislation.

No new bills of interest were introduced last week.

Summary of Hearings

No hearings, mark ups, or other events of interest to report.

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STATUS OF FY 2005 APPROPRIATIONS

FY 2005 Budget Request On February 2, Committee on Appropriations Chairman Bill Young (R/FL) released the following statement on the President's FY 2005 Budge Request:

The President has properly proposed tight restraints on discretionary spending. The House Appropriations Committee can produce spending bills within these restraints in a timely and fair manner; however, to do this we will need maximum flexibility within the discretionary budget allocation with no unrealistic assumptions, firewalls, or gimmicks.

While I am dedicated to developing fiscally conservative budgets, no one should expect significant deficit reduction as a result of austere non-defense discretionary spending limits. The numbers simply do not add up. Non-defense discretionary represents less than one-fifth of the federal budget and freezing this spending reduces the deficit by a marginal amount. With a 1% growth or freeze in non-defense programs, everyone should have realistic expectations and be prepared to make sacrifices. We will be carefully scrutinizing the Administration's new initiatives and proposed funding increases to see if we can afford them in a lean budget year. They will have to be reconciled with proven programs and traditional Congressional priorities.

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IV. NEW LEGISLATION

(Note: Once a new bill is introduced, the Government Printing Office generally requires from several days to one week to make the bill available in print)

HOUSE

No new bills of interest to report.

SENATE

No new bills of interest to report.

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V. ADMINISTRATION INITIATIVES

President's Weekly Radio Address In his weekly radio address to the Nation, the President focused on his FY 2005 Budget Request and strengthening the economy through the creation of jobs. His remarks included the following statement:

We'll help create more jobs in America by making tax relief permanent; by enforcing spending discipline and reducing the deficit...by passing a national energy policy...Taking these steps will add momentum to our nation's economic expansion and extend jobs and prosperity to more Americans.

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VI. HEARINGS SCHEDULE

HOUSE – COMMITTEE ON APPROPRIATIONS

Date/Committee	Chair	Hearing Title/Issue	Witnesses	Time/Location
<i>February 12</i> – Subcommittee on Military Construction	Joe Knollenberg (R/MI)	<i>Hearing</i> – Base Realignment and Closure	TBA	9:30 a.m. Room B-300 Rayburn Office Building
<i>(NEW)</i>				
<i>February 25</i> – Full Committee	Bill Young (R/FL)	<i>Hearing</i> – FY 2005 Budget Request for the Department of the Interior	Secretary Gale Norton, Department of the Interior	10:00 a.m. Room B-308 Rayburn Office Building
<i>February 26</i> – Full Committee	Bill Young (R/FL)	<i>Hearing</i> – FY 2005 Budget Request for the Department of Energy	Secretary Spencer Abraham, Department of Energy	10:00 a.m. Room B-308 Rayburn Office Building

HOUSE – AUTHORIZATIONS/OVERSIGHT

Date/Committee	Chair	Hearing Title/Issues	Witnesses	Time/ Location
February 10 – Subcommittee on Energy and Mineral Resources (Committee on Resources) (NEW)	Barbara Cubin (R/WY)	Hearing – Energy Supply and the American Consumer	Guy Caruso, Administrator Energy Information Administration Outside industry witnesses	10:00 a.m. Room 1324 Longworth Office building
February 12 – Committee on Armed Services (NEW)	Duncan Hunter (R/CA)	Hearing – <i>FY 2005 Defense Authorization</i> bill (budget request for the Department of the Navy)	Gordon England, Secretary, U.S. Navy Vern Clark, Chief of Naval Operations, U.S. Navy Michael Hagee, Commandant, U.S. Marine Corps	9:00 a.m. Room 2118 Rayburn Office Building

SENATE – COMMITTEE ON APPROPRIATIONS

Date/Committee	Chair	Hearing Title/Issues	Witnesses	Time/ Location
February 10 – Subcommittee on Homeland Security (NEW)	Thad Cochran (R/MS)	Hearing – FY 2005 Budget Request for the Department of Homeland Security	Tom Ridge, Secretary, Department of Homeland Security	10:00 a.m. Room 106 Dirksen Office Building

SENATE – AUTHORIZATIONS/OVERSIGHT

Date/Committee	Chair	Hearing Title/Issues	Witnesses	Time/ Location
February 9 – Committee on Governmental Affairs	Susan Collins (R/ME)	Hearing – FY 2005 Budget Request for the Department of Homeland Security	Tom Ridge, Secretary, U.S. Department of Homeland Security	10 a.m. Room 342 Dirksen Office Building

Date/Committee	Chair	Hearing Title/Issues	Witnesses	Time/ Location
February 10 – Committee on Armed Services	John Warner (R/VA)	Hearing – FY 2005 <i>Defense Authorization</i> bill	General Peter Schoomaker, Chief of Staff, United States Army Admiral Vernon Clark, Chief of Naval Operations, U.S. Navy General Michael Hagee, Commandant of the Marine Corps, U.S. Marine Corps General John Jumper, Chief of Staff, U.S. Air Force	9:30 a.m. Room 325 Russell Office Building
February 10 – Committee on Energy and Natural Resources	Pete Dominici (R/NM)	Hearing – FY 2005 Budget Request for the Department of Energy	Kyle McSillarow, Deputy Secretary of the Department of Energy	10 a.m. Room 366 Dirksen Office Building
February 10 – Committee on Veterans' Affairs	Arlen Specter (R/PA)	Hearing – FY 2005 Budget Request for the Department of Veterans Affairs'	TBA	2:00 p.m. Room 418 Russell Office Building
February 12 – Committee on Energy and Natural Resources (NEW)	Pete Domenici (R/NM)	Mark Up – Various public lands bills, including <i>S. 1107</i> , which would provide a permanent extension to the National Park Service Recreation Fee program (funds facility and related projects)	N/A	10:00 a.m. Room 366 Dirksen Office Building
February 12 – Committee on the Budget	Don Nickles (R/OK)	Hearing – FY 2005 Budget Request	TBA	10:00 a.m. Room 608 Dirksen Office Building

Date/Committee	Chair	Hearing Title/Issues	Witnesses	Time/ Location
February 12 – Committee on Energy and Natural Resources	Pete Dominici (R/NM)	Hearing – FY 2005 Budget Request for the Department of the Interior	TBA	10 a.m. Room 366 Dirksen Office Building
March 2 – Committee on Armed Services	John Warner (R/VA)	Hearing – <i>FY 2005 Defense Authorization bill</i>	Les Brownlee, Acting Secretary, U.S. Army Gordon England, Secretary, U.S. Navy James Roche, Secretary, U.S. Air Force	9:30 a.m. Room 216 Hart Office Building

CONFERENCE COMMITTEE NEGOTIATIONS AND FLOOR VOTES

Date and Action Item	Topic	Time and Location
February 9 (Senate) <i>S. 1072 – Highway Reauthorization Bill (TEA-21)</i> (NEW)	Debate – The Senate will resume debate on the six-year reauthorization bill, including an amendment with a scaled-back version all or part of <i>H.R. 6 – Energy Policy Act of 2003</i>	1:00 p.m. Senate Chambers Capitol
February 11 (House) - <i>H.R. __ - Highway Reauthorization Bill (TEA-21)</i> (NEW)	Debate – The House is expected to propose a four-month extension on the six-year reauthorization bill, and may include an amendment with all or part of <i>H.R. 6 – Energy Policy Act of 2003</i>	Time – TBA House Chambers Capitol

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